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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries on its first session

held at the Palais des Nations, Geneva,
from 14 to 18 December 1992

UNITED NATIONS

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INTRODUCTION

1. The Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries, established in accordance with paragraph 79 of the Cartagena Commitment, held its first session at the Palais des Nations, Geneva, from 14 to 18 December 1992. In the course of the session, the Ad Hoc Working Group held four plenary meetings. 1/

Opening statements

2. The Chairman stated that the Ad Hoc Working Group was one of five ad hoc working groups created to enable UNCTAD to address the new realities facing the world and to help meet the challenge of achieving equitable and sustainable global development. The specific task at hand was to study the prospects for and challenges to expanding the trade opportunities of developing countries and to make appropriate recommendations in this regard. Although this heavy undertaking had been at the forefront of UNCTAD's concerns since its inception, by focusing its energies the Ad Hoc Working Group could devise meaningful and convincing policy recommendations which Governments could readily approve and adopt as their own. In this way the Ad Hoc Working Group's contribution would be of great importance at the national level. The terms of reference allowed barely one and a half years for the Ad Hoc Working Group to complete its work and report to the Trade and Development Board. The immediate task was therefore not only to establish a credible work programme but also to devise the best implementation for it. With determination on the part of participants, these objectives could be reached. The lucid and comprehensive documentation prepared by the secretariat would greatly facilitate the work.

3. The Deputy to the Secretary-General of UNCTAD noted that the Ad Hoc Working Group could trace its origins to the Spirit of Cartagena which had emerged from UNCTAD VIII and laid the foundations for policies of cooperation aimed at promoting economic and social progress in all countries. So as to strengthen the role of UNCTAD in this partnership for economic development, certain reforms in its machinery and working methods had been introduced, among them the establishment of five ad hoc working groups to address trade and development issues. These ad hoc working groups were expected to deal with long-standing problems which because of their complexity required detailed consideration. The terms of reference of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries called on it "to analyse the prospects for, and examine ways of, expanding the trade opportunities of developing countries for the diversification and growth of their export supply capability and for the enlargement and improvement of their export market opportunities". The mandate of the ad hoc working groups was for two years and could be extended by decision of the Trade and Development Board. In order to enable national experiences as well as empirical evidence to be brought to bear on the issues, the core membership of the ad hoc working groups was expected to comprise all interested countries which would nominate national experts, with other countries participating in an advisory capacity. The Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries was expected to complete its work and, not later than the spring of 1994, report to the Trade and Development Board which would decide on any further action. In addition to setting the mandate for the Ad Hoc Working Group, UNCTAD VIII had also set certain guidelines for

the method of work. It had been envisaged that substantive work should consist of a dynamic, progressive sequence involving the initial identification of a relevant set of issues, the carrying out of high-quality analytical work and the conduct of intergovernmental consultations, dialogue and interaction aimed at the identification of areas of convergence and, when appropriate, negotiations leading to implementable commitments. Accordingly, the first task facing the Ad Hoc Working Group was the identification of issues most relevant to the expansion of trading opportunities for developing countries and the establishment of a corresponding work programme. To assist the Ad Hoc Working Group in this task, the UNCTAD secretariat had prepared a report (TD/B/WG.4/2) identifying a number of issues falling under the terms of reference.

Chapter I

ESTABLISHMENT OF THE WORK PROGRAMME OF THE WORKING GROUP

(Agenda item 3)

4. For its consideration of this item, the Ad Hoc Working Group had before it the following documentation:

- "Expansion of trading opportunities for developing countries, note by the UNCTAD secretariat (TD/B/WG.4/2 and Corrigendum 1);

- "Developments in the Uruguay Round of particular relevance to the work programme of the Ad Hoc Working Group, note by the UNCTAD secretariat" (TD/B/WG.4/CRP.1).

5. The Director of the International Trade Division highlighted salient aspects of the background paper (TD/B/WG.4/2) which had been designed to assist the Ad Hoc Working Group in carrying out its mandate. In identifying important issues within the terms of reference, it was intended to suggest approaches to drawing up the work programme. As the terms of reference had called for a sharing of national experiences, the paper attempted to indicate possible areas for this endeavour. Additional information, data or analysis useful to the Ad Hoc Working Group had likewise been suggested. The broad areas of inquiry as specified in the terms of reference were (a) possible liberalization undertaken by trading partners to enhance the export opportunities of developing countries, and (b) possible national measures whereby developing countries might enhance their own export opportunities. The latter depended critically on three factors: first the general world economic environment and growth in a global context; secondly, changes in access to foreign markets for exports from developing countries; thirdly, the efforts of developing countries to enhance their own export-supply capabilities. While the near-term outlook was for a weak recovery, the longer-term prospects for the world economy were less gloomy; with reassuring implications for the export prospects of developing countries. This picture was enhanced by the dramatic globalization of the world economy and the increasing participation of the developing countries. Trade measures such as various tariff and non-tariff barriers, restrictive business practices, and trade among developing countries had a bearing on access to foreign markets. Other mechanisms for change included trade promotion and marketing, improvement of trade-related information, structural adjustment policies, trade liberalization measures and regional integration arrangements. The third factor encompassed national policies needed in order to establish and/or develop competitive export sectors, for example trade policy, the exchange rate mechanism, technology, national institutions, and foreign direct investment, etc. The Ad Hoc Working Group also had before it two background documents entitled: "Measures and incentives for enhancing the competitiveness of sectors with export potential in developing countries: evidence and lessons from experience" (UNCTAD/ITP/90) and "Developments in the Uruguay Round of particular relevance to the work programme of the Ad Hoc Working Group" (TD/B/WG.4/CRP/1). As explained in annex II to TD/B/WG.4/2, the secretariat had acquired an extensive capability to provide information and data. If the Ad Hoc Working Group so wished, the secretariat was prepared

to give a visual demonstration of two information systems developed by UNCTAD, namely the Trade Analysis and Information System (TRAINS) and Software for Market Access and Restrictions to Trade (SMART).

6. The Ad Hoc Working Group decided not to take up UNCTAD/ITP/90 in the current session. Owing to restrictions on translation, this background document had been prepared in English only. It was agreed that it should be further elaborated as necessary and translated so as to be available in all six UNCTAD working languages for the second session.

7. At its 1st plenary meeting, on 14 December 1992, the Ad Hoc Working Group decided to discuss agenda item 3 in informal meetings.

Statements made at the 3rd plenary meeting

8. The representative of the International Trade Centre UNCTAD/GATT (ITC) recalled that over the past 28 years it had been working exclusively for, and often in, developing countries in the field of trade promotion. ITC became a joint subsidiary organ of UNCTAD and GATT in 1968. Since 1979, in addition to technical cooperation activities for export promotion and export development, ITC had also been actively engaged in the rationalization of import operations and improvement of import techniques. Hence, it welcomed the opportunity to share with the members of the Ad Hoc Working Group the experience and expertise it had gained over the years. ITC had consistently been working in close association with UNCTAD on many projects and technical cooperation activities. ITC had found that trade expansion in developing countries normally started - both at the macro and micro-economic levels - with the assessment of export opportunities. This was followed by the development of adequate export supply capacity which took place within the context of national policies, the latter not being within ITC's mandate. Market access had both trade-policy and operational export marketing components.

9. Once trade policy had been established, it should be implemented through a trade strategy related to the export and import operational aspects, both of which were linked. ITC would be pleased to share its experience in the following substantive areas: determination of national strategies for trade promotion and export development, including essential interaction between government and the private sector; the choice of export industries and products for export promotion and export development; the determination of export potential at national and enterprise levels; the setting up of national trade promotion institutions and necessary support services provided to the business community (e.g. export financing, packaging, export quality management, costing, pricing, trade fairs, overseas commercial representation, international physical distribution, etc.); joint ventures with developed or other developing countries to acquire technological and trading capability or aimed at export-oriented investments; the promotion of small and medium-sized export enterprises, including on a joint venture basis with foreign partners; the contribution of imports to export development (imports of raw materials, capital goods and spare parts for industry, infrastructure and services formed the bulk of imports of developing countries and were critical to export competitiveness; moreover under import liberalization schemes, the issue was not so much adequate volumes of imports as adequate value for necessary imported goods and services; this underlay the absolute necessity to improve import planning, purchasing performance and overall supply management in

developing countries); the assessment of world export market opportunities for specific products and product groups of developing countries, including in other developing countries; the specific development and export promotion of environment-related technologies and products in developing countries; the promotion of export/import trade between developing countries, particularly inside subregional economic groupings such as PTA, CEAO, ECOWAS, etc.; all aspects of export promotion and marketing such as those listed in paragraph 51 of TD/B/WG.4/2; the strengthening of chambers of commerce, industry and trade associations as promoters and supporters of the exporting/importing business community; the establishment of trade information systems in developing countries, dissemination of information and adequate utilization for export or import decision-making; the study of implications at the microeconomic level of structural adjustment policies being implemented at macroeconomic level. Work in this area had been undertaken by ITC jointly with the World Bank and UNDP. Overall, ITC stressed that trade takes place at the enterprise level, which should be the focus of attention for all those involved in the expansion of trading opportunities. One of the essential prerequisites for success in international trade was the development of human resources at all levels. ITC had considerable experience in this area. Finally, ITC reiterated its support to the Ad Hoc Working Group, and to the UNCTAD secretariat, to the extent that its financial and human resources and constraints would realistically permit.

10. The representative of the International Monetary Fund (IMF) stated that the short-term outlook for the world economy described in TD/B/WG.4/2 had worsened. Thus, world output in 1992 would rise by just under one per cent; in 1993 the rate of growth would be only about 2.25 per cent [almost one percentage point less than had been projected only two months ago]. This downward revision obviously reflected a deterioration in the growth outlook for developing countries, if to a lesser extent than for the developed countries. Likewise, the volume of world trade would expand less in 1993 than earlier projected, albeit by a considerable 5.75 per cent, with developing countries increasing their import growth from just over 8 per cent in 1992 to 9.50 per cent in 1993. While the longer-term prospects remained less gloomy, the problem was how to proceed. For this reason, agreements about policy strategies were important. Macroeconomic stabilization was a sine qua non for sustained growth and trade performance. It could not be achieved in an environment of structural imbalance, impediments to the transmission of supply and demand signals, dysfunctional incentive structures or, in short, domestic resource misallocation. Experience had shown that satisfactory sustained growth depended on simultaneous policy action promoting stabilization and structural reform. Chile's experience was a notable success since its growth performance had outstripped that of other developing countries in the western hemisphere in every year since the reform started except 1984-1985. However, in judging the effects of reform, the degree of misadjustment was relevant. With a less predictable, more gradual reform effort, Chile's performance would probably have fallen well below that actually recorded. A closer look at the success stories of the more recent past showed that gradualism did not work: liberalization of the foreign trade sector had to be comprehensive and rapid; price-based measures had to replace quantitative restrictions and be accompanied by an active exchange-rate policy and tight fiscal and monetary policies. Success was associated with export-stimulating policies and import competition. None of the success stories included import substitution

policies or export disincentives. Models of import substitution which presupposed robust export sectors at some later stage did not work today because the lack of competitive intermediary inputs resulted in product quality, design and price structures that were not competitive. India, Brazil and Argentina in their earlier policy modes were examples. The Republic of Korea had often been cited as a model of successful import substitution/export sector selection. Obviously, the Korean circumstances in the 1950s did not reflect a normal development model. More instructive would be its experience in the past three decades. In the 1960s, the import substitution model was abandoned in favour of outward-oriented growth strategy; export incentives were non-discriminatory across sectors and systematically reduced as import barriers fell. In the 1970s, in reaction to external events, there was a reversion to import substitution with respect to heavy industries and a fixed exchange rate policy in the face of large oil price increases which resulted in an overvaluation of the currency. Credit starvation of non-preferred sectors and severe misallocation of resources followed. Thus, in the 1980s the country once again had to embark on market-oriented trade liberalization, excepting, as before, in the agricultural sector.

11. The representative of the World Bank drew attention to the Bank's considerable experience with issues related to expanding the trading opportunities of developihg countries. Bank research had dealt with all three areas covered in the note by the UNCTAD secretariat: macro-outlook, market access and improving the supply capabilities of developing countries. The latter area had been an important element of the Bank's lending operations, as trade policy reform was an important part of structural adjustment and sectoral loans. According to a recent study by the Bank, in the period 1980-1991 over half of adjustment loans had a trade-policy component as part of conditionality.

12. The World Bank's annual review of Global Economic Prospects and the Developing Countries had described the outlook for developing country exports as sensitive to growth prospects in industrialized countries. In the latest review, the Bank had estimated that an annual increase in OECD growth by one percentage point sustained over three years would raise developing country exports by US$ 60 billion a year - almost equal to the yearly net flow of official development assistance to these countries or the estimated increase in developing country exports from a successful Uruguay Round. However, the global outlook for the 1990s was mixed. The major industrialized countries were likely to grow on average at 2.6 per cent a year, slower than in the 1980s. The real cost of capital was likely to remain relatively high, commodity prices would recover moderately from present low levels and concessional external finance would become scarcer. Nevertheless, real export growth of developing countries was expected to reach 7 per cent per year over the decade, higher than in the past. Growth of manufactured exports would be even higher. Further reductions in industrial country trade barriers would be a major stimulus to exporters in developing countries. In most developing countries, however, trade barriers were generally still high despite the recent trend towards reform. Lowering them could benefit trade among developing countries as well as trade with industrial countries. While in specific products there was always a risk of provoking protectionist reactions, the phenomenal growth of exports from a number of developing countries adopting sensible trade policies and the increase in their share in

industrial country markets suggested that the existing barriers, even in sensitive sectors in the industrial countries, did not prevent the development of export-oriented sectors. The latest global prospects study also stressed that, given the moderate external outlook, success in export expansion in developing countries would increasingly depend on domestic economic policies. Furthermore, competing successfully in the present world of interdependent and global markets would also depend on the ability of developing countries to construct better international communication links and absorb and master new production and management techniques more rapidly.

Chapter II

PROCEEDINGS OF THE 4th (CLOSING) PLENARY MEETING

A. Action by the Ad Hoc Working Group on agenda item 3

13. At the Ad Hoc Working Group's 4th (closing) plenary meeting on 18 December 1992, the Chairman introduced an agreed draft programme of work (TD/B/WG.4/L.2).

14. At the same meeting, the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries adopted the draft programme of work contained in TD/B/WG.4/L.2. For the text of the Programme of Work, see annex II.

B. Concluding Statements

15. With regard to trade measures under section 2.B. "Market opportunities", in the Programme of Work, the representative of the European Economic Community (EEC) drew attention to paragraph 1 (d) of the Terms of Reference and to the importance attached to trade among developing countries when considering the trading opportunities of developing countries. In this spirit, the EEC delegation was quite ready to continue its participation in the Ad Hoc Working Group.

16. The representative of Cuba, like other delegations, expressed his preoccupation with the reduced attendance at the Group's meetings which did not reflect the importance attached by Governments to work which would contribute to exploiting better the trading opportunities of both developing and developed countries. Cuba was very interested in specific action which would permit an exchange of experiences on exploiting trading opportunities vital to development and could offer its own experience with the creation of joint venture enterprises in the sectors of industry and tourism as well development reaching such sectors as biotechnology and medical and pharmaceutical products for export. He also drew attention to the fact that, as of September 1993, the Ad Hoc Working Group would have only one year in which complete its Programme of Work.

17. The spokesman for the Group of 77 (Mexico) expressed confidence that the Programme of Work adopted was one that could feasibly be executed and that, under the able leadership of the Chairman, the Ad Hoc Working Group would be able to carry its mandate to a successful conclusion.

18. The spokeswoman for the European Community and its Member States (United Kingdom) expressed thanks to the Chairman. The Ad Hoc Working Group had agreed on a substantial Programme of Work covering the three main areas identified in the Terms of Reference and, under the capable leadership of the Chairman, could look forward to carrying that Programme forward successfully in the coming months.

19. The representative of China expressed confidence that the Programme of Work adopted by the Ad Hoc Working Group had set a clear course for future work. He recalled that during its thirty-eighth session, the Trade and Development Board had decided on the mandate for the Ad Hoc Working Group and

had formulated terms of reference. These had been designed to promote the Group's work over the two-year period of its mandate. The tasks to be accomplished under the Chairman's guidance would enable developing countries to see brighter prospects for trading opportunities.

20. The Chairman congratulated the Ad Hoc Working Group on having achieved consensus on its Programme of Work and called on the Group to continue its outstanding cooperation in order to carry out the tasks set in the time available. The Group's mandate, to analyse prospects for, and examine ways of expanding the export supply capabilities of developing countries as well as to improve their export opportunities, had set twin objectives of equal importance to be pursued in parallel. National experience was a crucial component of the method of work because a better understanding of the ways and means of expanding export supply capabilities would be invaluable. All countries had worthwhile experience to share with others. This included the countries in transition undertaking reforms leading to a more outward-oriented economy and developed countries representing the major world markets. The latter had a key role to play as regards better export opportunities not only in terms of action they might take to allow easier access to their markets but also as regards structural adjustment policies whereby they could phase out declining and non-competitive industries in order to accommodate imports from developing countries. The experience of all countries in export promotion and marketing would help in defining appropriate and effective measures. Four countries (two developing and two developed) had provisionally indicated their intention to make presentations of their national experiences at the second session; and other countries were invited to do likewise. In line with its mandate, the Ad Hoc Working Group would draw on the work of other UNCTAD bodies, as appropriate, inter alia, the Special Committee on Preferences, the Intergovernmental Group of Experts on Restrictive Business Practices and the Standing Committee on Economic Cooperation among Developing Countries, especially with regard to trading opportunities among developing countries. According to the terms of reference, and reflecting the Cartagena Commitment, particularly paragraphs 18 and 47, the Ad Hoc Working Group should promote international consensus on principles and strategies for policy action at both national and international levels to enhance the development prospects of member States. The Group's success could therefore be viewed as a litmus test of the political will to translate into reality the spirit of Cartagena. Those who had taken the floor to inform the Ad Hoc Working Group about particularly relevant activities of their organization deserved high praise. The UNCTAD secretariat had been asked to provide studies and analyses which would facilitate the Group's work. In closing, she praised the UNCTAD secretariat both for the preparatory work in highlighting the main issues as well as for its help in successfully launching the Ad Hoc Working Group.

Chapter III

ORGANIZATIONAL MATTERS

A. Opening of the session

21. The first session of the Ad Hoc Working Group was opened on 14 December 1992 by the Deputy to the Secretary-General of UNCTAD.

B. Election of officers
(Agenda item 1)

22. At its 1st and 2nd plenary meetings on 14 December 1992, the Working Group elected its officers as follows:

Chairman:	Mrs. Magda Shahin	(Egypt)
Vice-Chairmen:	Mr. Andreas Gambitsis	(Greece)
	Mr. Akmal Hassain	(Bangladesh)
	Mr. V. Kouvshinov	(Russian Federation)
	Mr. Carlos Sinencio	(Mexico)
	Mr. Herbert Dzvimbo	(Zimbabwe)
Rapporteur:	Mr. Dietmar-Gert Lackner	(Austria)

C. Adoption of the agenda and organization of work
(Agenda item 2)

23. At its 1st plenary meeting on 14 December 1992, the Ad Hoc Working Group adopted its provisional agenda (TD/B/WG.4/1) as follows: 2/

1. Election of officers
2. Adoption of the agenda and organization of work
3. Establishment of the work programme of the Working Group
4. Provisional agenda for the second session of the Working Group
5. Other business
6. Adoption of the report of the Working Group to the Board.

D. Provisional agenda for the second session of the Ad Hoc Working Group
(Agenda item 4)

24. At its 4th plenary meeting on 18 December 1992 the Ad Hoc Working Group adopted the draft provisional agenda for its second session (TD/B/WG.4/L.3). For the text of the provisional agenda, see annex I.

25. With regard to the timing of the second session, it was agreed that the Ad Hoc Working Group would meet in September/October 1993. The exact date of the session would be referred to the Group on Calendar matters.

E. Other business
(Agenda item 5)

26. There were no points raised under this Agenda item during the session.

F. Adoption of the report of the Ad Hoc Working Group to the Board
(Agenda item 6)

27. At its 4th (closing) plenary meeting on 18 December 1992, the Ad Hoc Working Group adopted the draft report of its first session (TD/B/WG.4/L.1 and Add. 1) and authorized the Rapporteur to complete the final text as appropriate.

Notes

1/ For the terms of reference of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries, see Trade and Development Board decision 398 (XXXVIII), annex, section C.

2/ In accordance with the decision taken by the Trade and Development Board at the first part of its thirty-ninth session, the officers elected at the first session of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries are to remain in office for the duration of the life of the Ad Hoc Working Group.

Annex I

PROVISIONAL AGENDA FOR THE SECOND SESSION OF THE AD HOC WORKING GROUP

1. Election of officers

2. Adoption of the agenda and organization of work

3. Consideration of issues arising from the work programme of the Ad Hoc Working Group:

   (a) Country presentations of national experience (export capabilities, market opportunities, export promotion and marketing)

   (b) Export capabilities

   (c) Market opportunities (environmental measures, structural adjustment policies, RBPs)

   (d) Export promotion and marketing

4. Provisional agenda for the third session of the Ad Hoc Working Group

5. Other business

Annex II

PROGRAMME OF WORK OF THE AD HOC WORKING GROUP ON EXPANSION OF TRADING OPPORTUNITIES FOR DEVELOPING COUNTRIES*

Pursuant to "A New Partnership for Development: the Cartagena Commitment", adopted at the eighth session of the Conference, the Ad Hoc Working Group agreed, on the basis of Board decision 398 (XXXVIII) which sets out in Annex B the terms of reference of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries, on the following work programme.

I. Global trends and issues

Drawing on analyses by the secretariat and other relevant international bodies, the Ad Hoc Working Group will consider global trends in the world economy affecting the trading opportunities of developing countries, particularly world demand for products of export interest to them.

II. Expansion of trading opportunities

On the basis of country presentations, the work of other UNCTAD bodies, studies of the secretariat, contributions from relevant regional and international organizations and institutions, as well as from non-governmental organizations, business and academic experts, the Ad Hoc Working Group will undertake an analysis of the prospects for, and examine ways of, expanding the export supply capabilities of developing countries and improving their export market opportunities with a view to elaborating policy recommendations for implementation at the national and international levels. In this context, the Ad Hoc Working Group will cover:

A. Export capabilities

The Ad Hoc Working Group will consider various national experiences in order to identify national measures, incentives and policies for enhancing the competitiveness of sectors and industries with an export potential; in particular, focusing on the following elements as they relate to export sector development:

- macroeconomic policies (including price stability and exchange rate policies)
- diversification
- trade policy instruments
- technological development

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* Adopted by the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries at its 4th (closing) plenary meeting on 18 December 1992.

- human resource development
- fiscal policy
- export financing schemes
- export-related domestic and foreign investment
- import liberalization
- industrial development experiences pertaining to entrepreneurship

B. Market opportunities

The Ad Hoc Working Group will analyse and identify product and export market opportunities which are a consequence of developments such as:

Trade measures

- identify trade opportunities for developing countries arising from the liberalization of measures which impede the access of their exports to markets;
- identify products of export interest to developing countries with high tariffs, and tariff escalation, and which are not included in preferential schemes and consider the possibilities for their inclusion in such schemes;
- consider the role of the GSP in expanding the trading opportunities of developing countries, with a view to improving it, including its utilization;
- consider various non-tariff measures with a view to suggesting priorities to guide further work on these matters to expand the trading opportunities for developing countries.

Environmental measures

- consider the impact of environmental policies and measures on trading opportunities of developing countries with a view to making recommendations for enhancing those opportunities.

Structural adjustment policies

- consider national experiences with structural adjustment policies in various countries and their implications for the export opportunities of developing countries.

Uruguay Round

- analyse the results of the Uruguay Round and their effects on the trading prospects of the developing countries, including identification of opportunities arising from the reduction of tariffs and non-tariff measures on products of export interest to them.

Regional integration arrangements

- **examine the implications of regional integration arrangements on the export market opportunities of developing countries.**

RBPs

- **examine the impact on the trading opportunities of developing countries resulting from restrictive business practices in international trade.**

C. Export promotion and marketing

In particular, the Ad Hoc Working Group will:

- **consider national experiences regarding the effectiveness of particular export promotion and marketing activities, inter alia, by national institutions, enterprises and international technical cooperation projects;**

- **examine ways and means by which developing countries in particular the least developed countries could meet export promotion and marketing challenges, including through multilateral organizations, as well as through institutions and actions of developed countries to promote imports from developing countries;**

- **examine the role of, and ways in which, improvement in the use of trade-related information technology and flows can contribute to the trading opportunities of developing countries.**

III. Technical cooperation

The Ad Hoc Working Group will identify for consideration areas in which technical cooperation should be strengthened.

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Organization of work

In carrying out the work as foreseen in the above work programme, the Ad Hoc Working Group will draw upon, as necessary, the work of other UNCTAD bodies as well as other relevant international organizations.

I. Future sessions

The Ad Hoc Working Group recommends to the Board that it hold two meetings in 1993 and one in 1994. The first meeting in 1993 should be for one week in September/October and the second should be in December. The meeting in 1994, which will be the final meeting of the Group, should take place prior to the Spring session of the Board.

II. Country presentations

Voluntary presentations of national experience will be invited from countries representing different levels of development and relevant policy experience. Governments may designate appropriate experts from any public institution, non-governmental organizations, the business or academic communities, to present all or part, whether written and/or oral, of their presentations.

III. Contributions by the secretariat and other international bodies

The secretariat will provide the Ad Hoc Working Group with the following:

1. Global trends

Drawing on existing studies, including by other international bodies the secretariat will present an analysis of global trends in the world economy affecting the trading opportunities of developing countries, particularly world demand for products of export interest to them.

2. A. Export capabilities

Drawing on the country presentations and relevant studies by the secretariat and other international organizations, the secretariat will prepare a synthesis of country experiences focusing on the elements relating to export sector development as appears in section A of the Work Programme of the Ad Hoc Working Group.

2. B. Market opportunities

Drawing on the country presentations, work of other UNCTAD bodies and of relevant international organizations, the secretariat will provide the Ad Hoc Working Group with the following:

- identification of products of export interest to developing countries with high tariffs and tariff escalation and which are not included in preferential schemes;

- information on various non-tariff measures affecting products of export interest to developing countries;

- analysis of the impact of environmental measures on the trading opportunities of developing countries;

- analysis of structural adjustment policies in various countries, and their implications for the export opportunities of developing countries;

- analysis of the implications of regional integration arrangements on the export market opportunities of developing countries;

- analysis of the impact on the trading opportunities of developing countries resulting from restrictive business practices in international trade;

- analysis of the results of the Uruguay Round and their effects on the trading prospects of the developing countries, including identification of opportunities arising from the reduction of tariffs and non-tariff measures on products of export interest to them.

2. C. Export promotion and marketing

Drawing on the work of relevant international organizations, other UNCTAD bodies and country presentations, the secretariat will identify ways and means by which developing countries, in particular the least developed countries could meet export promotion and marketing challenges, including through multilateral organizations, as well as through institutions and actions of developed countries to promote imports from developing countries.

3. The secretariat will provide the Ad Hoc Working Group with a bibliography of relevant studies related to matters pertaining to the Group's work programme.

4. The secretariat is requested to provide to the Ad Hoc Working Group, and to countries wishing to make presentations to the Group, at their request, technical assistance, advice and information on matters pertaining to the Group's work within the available resources.

5. Presentations by the secretariat of other international organizations will be sought in areas where they have a particular expertise.

IV. Dissemination of the report of the Ad Hoc Working Group

The report of the final session of the Ad Hoc Working Group will be given the widest possible dissemination.

Annex III

MEMBERSHIP AND ATTENDANCE a/

1. The following States members of UNCTAD, members of the Ad Hoc Working Group, were represented at the session:

Algeria
Austria
Bangladesh
Belgium
Benin
Canada
China
Croatia
Cuba
Democratic People's Republic of Korea
Egypt
Finland
France
Germany
Ghana
Greece
Guinea
India
Indonesia
Iran (Islamic Republic of)
Japan
Libyan Arab Jamahiriya
Madagascar
Malta
Mexico
Morocco
Myanmar
Netherlands
Norway
Republic of Korea
Romania
Russian Federation
Senegal
Sri Lanka
Switzerland
Tunisia
Turkey
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Venezuela
Zambia
Zimbabwe

2. The following other States members of UNCTAD, not members of the Ad Hoc Working Group, were represented as observers at the session:

Bhutan
Bulgaria
Chile
Dominica
Ethiopia
Ireland
Jamaica
Malaysia
Nepal
Panama
Peru
Philippines
Portugal
Qatar
Sweden
Viet Nam

3. The International Trade Centre UNCTAD/GATT was represented at the session.

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a/ For the list of participants, see TD/B/WG.4/INF.1.

4. The following specialized and related agencies were represented at the session:

World Bank
International Monetary Fund

The General Agreement on Tariffs and Trade was also represented.

5. The following intergovernmental organizations were represented at the session:

European Economic Community
Organisation for Economic Cooperation and Development
Organization of African Unity

6. The following non-governmental organizations were represented at the session:

General category

International Chamber of Commerce
World Assembly of Small and Medium Enterprises
World Federation of United Nations Associations

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